

MR. A. WATT AND MR. E. A. MITCHELL.

L E T T E R

FROM

THE ACTING SECRETARY OF THE TREASURY,

TRANSMITTING

Copy of a communication from the Secretary of State relating to an appropriation to reimburse Messrs. A. Watt and E. A. Mitchell, of Newcastle, New South Wales.

JANUARY 29, 1896.—Referred to the Committee on Appropriations and ordered to be printed.

TREASURY DEPARTMENT,
January 28, 1896.

SIR: I have the honor to transmit herewith, for the consideration of Congress, copy of a communication from the Secretary of State of the 25th instant, and its inclosures, looking to an appropriation to reimburse Mr. A. Watt and Mr. E. A. Mitchell, of Newcastle, New South Wales, for losses sustained by each through the payment of certain drafts illegally drawn on the Secretary of State and Secretary of the Treasury by Mr. George T. Baggs, late United States commercial agent at Newcastle, New South Wales, and purporting to be on account of the business of the United States Government, aggregating \$2,170.62, together with interest thereon to date of final settlement of the claims by the Treasury Department.

Respectfully, yours,

S. WIKE, *Acting Secretary.*

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

DEPARTMENT OF STATE,
Washington, January 25, 1896.

SIR: I have the honor to transmit herewith, for your information and consideration, a copy of a note dated the 7th instant from the British ambassador at this capital, respecting three unpaid drafts drawn on the United States Treasury by George T. Baggs, late United States commercial agent at Newcastle, New South Wales; one for \$1,100, dated January 6, 1893; one for \$160.59, dated April 4, 1893, and one for

\$910.03, dated April 6, 1893, all said drafts purporting to be on account of the business of the United States Government.

As a matter of fact, all said drafts were illegally drawn on the United States Treasury, and were protested for nonpayment. There was nothing on the face of the drafts to throw suspicion upon them, and as they were drawn by an officer accredited by this Government, it would seem to be proper that Mr. A. Watt and Mr. E. A. Mitchell, who advanced the money on them, should be indemnified for their losses.

I beg to request therefore that the matter be submitted to Congress with a recommendation that an appropriation be made for the payment of the sums due Messrs. Watt and Mitchell, with interest thereon to the date of the final settlement of the claims by the State Department.

In this connection reference is hereby made to the letter of the Secretary of State of the 13th of February, 1889, to the Secretary of the Treasury in regard to a claim of a similar character made by Messrs. Bywater, Tanqueray & Co., of London, which was allowed by Congress by the act approved March 2, 1889. (See U. S. Stat. L., vol. 25, p. 906.)

I have the honor to be, sir, your obedient servant,

RICHARD OLNEY.

The SECRETARY OF THE TREASURY.

BRITISH EMBASSY,
Washington, January 7, 1895 [6].

SIR: I have the honor to forward to you herewith, in original, the sworn depositions of A. Watt and E. A. Mitchell, respecting three unpaid drafts drawn on the United States Treasury by Mr. George T. Baggs, ex-United States commercial agent at Newcastle, New South Wales.

The government of that colony ask that steps may be taken to obtain a refund of the amounts owing, and I venture, therefore, to lay the case before you for the favorable consideration of your Government.

I have the honor to be, with the highest consideration, sir,

Your most obedient, humble servant,

JULIAN PAUNCEFOTE.

Hon. RICHARD OLNEY, etc.

RE G. T. BAGGS.

I have read the attached statement made by Mr. E. A. Mitchell, manager of the Bank of New South Wales at Newcastle, dated April 8, 1895, and confirm same so far as regards draft for \$910.03 presented on or about April 6, 1893.

The £90 referred to in said statement is still due and owing to me.

At the time Mr. Baggs wanted Mr. Mitchell to negotiate draft for \$910.03 he distinctly stated to Mr. Mitchell that so long as there was one cent in the United States Treasury this draft could not be dishonored, and I verily believe that it was due to that statement that Mr. Mitchell discounted for me Mr. Baggs's promissory note for £90, as we considered that the draft was drawn on the United States Treasury and unchallengeable.

Dated at Newcastle this 8th day of April, 1895.

A. WATT,
Proprietor of Great Northern Hotel, Newcastle.

Sworn before me at Newcastle, New South Wales, the 9th day of April, 1895.

[SEAL.]

STEWART KEIGHTLY,
United States Vice-Commercial Agent, Newcastle, New South Wales.

Statement made by E. A. Mitchell, manager of the Bank of New South Wales, Newcastle.

On January 6, 1893, I negotiated for Mr. G. T. Baggs his draft on the Secretary of the Treasury at Washington at fifteen days, for \$1,100, or £225 9d., purporting to be for payments made on account of distressed American seamen, and signed usual exchange voucher with particulars of draft, etc.

On April 4, 1893, I negotiated a draft, at fifteen days, for \$160.59, or £33, on Secretary of State, purporting to be for and on behalf of the United States Government.

On or about April 6, 1893, Mr. Baggs wanted me to negotiate his draft on the Secretary of the Treasury for \$910.03, or £187. This I declined to do, as I had no advice of facts of that for \$1,100, but took the draft as collateral security for promissory note for £90, made by G. T. Baggs and discounted for Alexander Watt, to whom amount was due. This draft purported to be on account of advances to distressed American seamen, and the amount of £90 was to be a first charge when draft was collected.

The three drafts were drawn in accordance with regulations 535 and 560 in Book of Instructions to Consular Agents and bore the official stamp, all being in order and every precaution taken by me. I was surprised to hear of their dishonor.

The drafts have been twice presented and are still unpaid.

E. A. MITCHELL,

Manager Bank of New South Wales, Newcastle, New South Wales.

NEWCASTLE, this 8th day of April, 1895.

Sworn before me at Newcastle, New South Wales, the 8th day of April, 1895.

[SEAL.]

STEWART KEIGHTLY,

United States Vice Commercial Agent, Newcastle, New South Wales.



